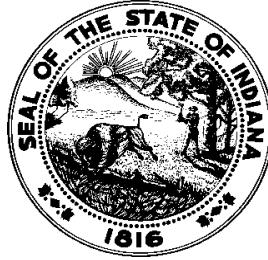


**LOCAL GOVERNMENT TAX CONTROL BOARD**



**RECOMMENDATIONS**  
**TO THE**  
**DEPARTMENT OF LOCAL GOVERNMENT FINANCE**  
**FROM**  
**MAY 25, 2006**

## Call to Order

Lisa Decker called the May 25<sup>th</sup> 2006 Local Government Tax Control Board meeting to order at 9:00 am. Board members present were Dan Jones, Stan Mettler, Lisa Decker, and Ken Kobe. Judy Robertson was the administrative officer for the meeting.

Discussion  
None.

Recommendation  
Ken motioned to recommend approval of the minutes from the April 27<sup>th</sup> 2006 local government tax control board meeting. Dan seconded and the motion carried 3-0-1 with Stan abstaining.

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### Middle Township, Hendricks County Emergency Fire Loan

Summary: The unit is requesting an emergency fire loan in the amount of \$280,500 for a term of one (1) year for the purpose of funding the 2006 operating budget.

Project Costs: \$280,500      Amount applied to debt: \$280,500      Annual Payment: \$296,042

#### Emergency Loan Calculation:

DLGF Certified Property Taxes	\$253,033
DLGF Certified Misc. Revenues	\$293,632
January 1 <sup>st</sup> Cash Balance	\$11,406
Total Funds Available	\$558,071
DLGF Certified Budget	\$554,443
Encumbrances	\$0
Total Funds Needed	\$554,443
Funds Remaining: Surplus (Need)	\$3,628
Budget Advertised	\$1,024,834
Budget Adopted	\$1,024,834
Advertised Budget	\$1,024,834
Less Certified Budget	\$554,443
Budget cut by DLGF	\$470,391

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$266,630,910
	Levy Needed	\$241,042
	Est. Tax Rate	.0904

Meeting and Publication Dates:

Date of publication for a public hearing	01/26/2006
Date of public hearing	02/08/2006
Resolution/Ordinance adopted	02/08/2006
Notice of Determination	02/16/2006

Auditor's Certificate of No Remonstrance: 03/30/2006

Missing Information: None

Attendance

The following people attended the meeting: Timothy W. Griffith (Trustee), Greg Land (Fire Chief), Jason Stumm (Assistant Fire Chief), and Ned Weaver (Trustee Board).

Discussion:

Timothy: We are asking for approval to borrow \$280,000 to cover operating expenses for the fire department. We are short because of an \$116,000 budget shortfall and the remaining \$164,500 is a half year of salary and benefits for and additional six firefighters. I would like to spend a little time discussing the location and the make-up of Middle Township, Hendricks County. We provide protection services to the entire township, including the City of Pittsboro. We currently have six full-time firefighters and eleven reservists; of which, only four or five are active. We are continuously working to recruit new volunteers, but people just do not have the time. They cannot meet the training requirements, nor are they available to leave their jobs to go on a run. We have one pumper, one tanker, two rescue trucks, and one ambulance. It was not an easy decision to pursue borrowing. We have used every resource we have to fund the fire department, but it is not enough.

The \$116,000 shortfall came about as a result from a loss in CAGIT revenue. In 2002, our CAGIT revenue was \$230,000; in 2003, we had \$260,000; in 2004, the amount was \$150,000; in 2005, we received \$165,000; and then this year we are receiving \$220,000. We could only give a one and a half cent raise with the amount of revenue coming in. A third of the time, the appropriate response vehicle did not show up because the volunteer did not respond to the emergency; the only people who showed were the two full-time firefighters on that shift. Mutual aid is over five miles away – in Brownsburg, who has twenty-two full-time career firefighters. It is a big issue and problem to fund the fire department and have enough available firefighters.

I have personally talked to everyone I know of about the problem and the community is giving its' full support.

Questions by board members:

Lisa: Did anyone oppose?

Timothy: No one; I prepared a power point to hand out at all the meetings. We have a need and are ready to hire the additional six firefighters. Next year I will need to borrow \$450,000 for a full year of salary for those six firefighters. We understand that we will need to borrow three consecutive years in order to qualify for a permanent increase to our maximum levy. Our taxes have been kept stable and we have restricted

development. We are becoming very attractive to big business. The other three townships have increased their taxes and also their share of CAGIT, which has left us behind.

Stan: Have you discussed entering into an inter-local agreement with other units in Hendricks County for health insurance?

Timothy: Insurance cost is ten percent of our budget. If we don't get this loan, I will have to lay our four people. The other townships in Hendricks County have worse insurance cost than us, so no, we are not looking to combine our insurance policies.

Stan: Has the two percent circuit breaker been explained to you?

Timothy: No, nobody has talked to me about it - I don't know what it is.

Ken: What is your budget history? You will be expending \$850,000 this year, assuming the emergency loan is granted.

Timothy: Actual disbursements were: \$473,000 in 2002; \$445,000 in 2003; \$506,000 in 2004 and \$601,000 in 2006.

Ken: What did you say was the cause of the shortfall?

Timothy: Several factors played a part in it. Qualtec entered into bankruptcy and Steel Dynamics bought it and paid off the tax liability. The problems have kept compiling. This has been put in the front of the township peoples since last September. Their main concern is what the school is doing. The township is only five percent (5%) of the district rate.

Ken: What is the total district rate?

Timothy: It is 2.06 for this year.

Dan: Your handout says it is for the Pittsboro fire department? Are you borrowing for the Town?

Timothy: Bo, the name was not changed. The town does not have their own fire department.

Ken: Do you see a consolidation in the future?

Timothy: That idea is not attractive to our citizens, so I do not see it happening.

Ken: What portion of your township is residential versus commercial?

Timothy: Oh, I have no idea; probably 70% residential/30% commercial.

Ken: Do any of the commercial businesses have their own fire department?

Timothy: No, they all rely on us.

Recommendation:

Ken motioned to recommend approval of an emergency fire loan in the amount of \$280,500 for a term of one (1) year. Stan seconded and the motion carried 4-0.

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**Sugar Creek Township, Hancock County  
Emergency Fire Loan**

Summary: The unit is requesting an emergency fire loan in the amount of \$646,841 for a term of one (1) year for the purpose of funding firefighter salaries, FICA, health insurance and pension payments.

Project Costs: \$646,841                      Amount applied to debt: \$646,841                      Annual Payment: \$688,676

Emergency Loan Calculation:

DLGF Certified Property Taxes	\$903,220
DLGF Certified Misc. Revenues	\$803,327
January 1 <sup>st</sup> Cash Balance	\$161,238
Total Funds Available	\$1,867,785

DLGF Certified Budget	\$1,681,203
Encumbrances	\$0
Total Funds Needed	\$1,681,203

Funds Remaining: Surplus (Need)	\$186,582
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Budget Advertised	\$2,550,983
Budget Adopted	\$2,550,983

Advertised Budget	\$2,550,983
Less Certified Budget	\$1,681,203
Budget cut by DLGF	\$867,780

Controlled or Uncontrolled:              Controlled

Revenue Source for Property Tax Backup:

Tax Rate Impact:	2006 AV	\$654,033,250
	Levy Needed	\$688,676
	Est. Tax Rate	.1053

Meeting and Publication Dates:

Date of publication for a public hearing	03/30/2006
Date of public hearing	04/11/2006
Resolution/Ordinance adopted	04/11/2006
Notice of Determination	04/13 & 20/2005

Auditor's Certificate of No Remonstrance:                      05/23/2006

Missing Information:              None

Attendance:

The following people attended the meeting: Tricia Leminger (Attorney), Myra Wilkinson (Deputy Trustee), Robert Rehfus (Fire Chief), C. O. Montgomery (Trustee) and Eric Reedy (Accountant).

Discussion:

The unit presented a handout which discussed the following topics:

- Growth in residential and commercial businesses in the township
- Make-up of emergency runs
- Make-up of the fire department
- Uses of the proceeds from the emergency loan
- Increase in assessed valuation

Questions by board members:

Ken: Does this loan replace a \$722,000 loan?

Eric: Yes, the tax rate will actually decrease.

Stan: The Town of New Palestine's assessed value was added for 2006 – is this what kept your rate low?

Eric: Yes, the assessed value was added for 2006 and it is partly the reason the rate decreased.

Stan: When was the last time you applied for the three-year borrowing appeal?

Eric: It was approved in 2005.

Stan: Have you discussed entering into an inter-local agreement for health insurance?

C.O.: We talked to Buck Creek, but the plan didn't go anywhere. Our health insurance is better than theirs.

Stan: Have you appealed for relief due to pension payments?

Eric: Yes, they were approved for \$36,000 for this year.

Stan: Have you considered the impact of the 2% circuit breaker?

Eric: I doubt they have discussed it – there is no plan to phase it in early.

Recommendation:

Ken motioned to recommend approval of an emergency fire loan in the amount of \$646,841 for a term of one (1) year. Stan seconded and the motion carried 4-0.

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**Linden Carnegie Public Library, Montgomery County  
Lease Financing**

Summary: The unit is requesting approval to execute a lease in the amount of \$910,000 with maximum annual lease rental payments of \$83,000 for a term of twenty-two (22) years for the purpose of providing the funding needed to remodel the existing building and construct an addition for increased capacity and programs, improve ADA access, new computer technology, new security measures and upgrade the HVAC system.

Project Costs: \$1,097,795

Amount applied to debt: \$910,000

Annual Payment: \$83,000

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$61,967,340
	Levy Needed	\$72,000
	Est. Tax Rate	.1162

Meeting and Publication Dates:

Date of publication for a public hearing	04/18/2006
Date of public hearing	05/15/2006
Resolution/Ordinance adopted	
Notice of Determination	N/A

Auditor's Certificate of No Remonstrance: N/A

Common Construction Wage: N/A

Fire Marshall's Approval: N/A

Missing Information: None

Attendance:

The following people attended the meeting: Jane Herndon (Bond Counsel with Ice Miller), Lamont Harris (Library Attorney), Tom Utley (Vice President of the Library Board), Kathie Watkins (Library Director), Richard Ward (President Linden Public Library), Eileen Davis (Project Architect with Veazey Parrott Durkin & Shoulders), Bill Brown (Project Architect with Veazey Parrott Durkin & Shoulders), and Lonnie Therber (Financial Advisor).

Discussion:

Mt. Utley began by giving an outline of their plan (see handout for full presentation). Some of the issues are as follows:

A single voice in support of the plans; no dissenting votes

Hub of the town, dedicated to culture and the only structure of any architectural note

An Andrew Carnegie building built in 1922; no renovation or expansion has been done

Need for renovation and upgrades to bookshelves, computer wiring, increase in space, ADA compliant

Market focus is on the needs of children, the elderly, and the physically handicapped

Desire is to preserve the Library's architectural appeal, while incorporating efficiencies

Plan is to operate within current budget without increasing staffing

Letters of support from citizens and leaders

Pictures of the current library

Questions by board members:

Dan: Is this your first debt issue?

Mr. Utley: Yes.

Dan: Do you have a capital projects plan?

Mr. Utley: No.

Stan: You will not need any new staff, seeing that you are almost tripling the size of the library?

Mr. Utley: The way the addition and renovation is designed will mean that no new staff will be needed.

Stan: Will your operating budget cover the increase in expenses?

Jane: Yes, because of the increase in efficiency from new utilities.

Stan: Is any of this a part under a guaranteed energy savings contract?

Answer: No.

Dan: What is the trend of your COIT revenue?

Answer: It increased by \$300 this year. We received \$1500 in 2005 and \$1800 for 2006.

Stan: What is your average circulation?

Answer: 700, including all publications, videos, etc.

Stan: Are you expecting the circulation numbers to increase?

Answer: Yes, we do expect to grow.

Ken: What is the source of the \$187,000 in local funds?

Lonnie: The Library Improvement Reserve fund.

Ken: Will this project wipe out that fund?

Lonnie: Not totally, it will put a major dent in it, but they are holding some back to purchase other items as required.

Dan: The worksheet I handed out details what the DLGF has compiled in regards to library construction costs. It is a supplemental comparison that we are in the process of doing every time a new construction project is proposed.

Stan: Has anyone discussed the 2% circuit breaker and what kind of impact that will have on you?

Jane: Montgomery County is not adopting it early. There has been no talk about it and no analysis has been done yet on the impact.

Stan: Have you already established a building corporation?

Answer: Yes.

Recommendation:

Ken motioned to recommend approval to execute a lease in the amount of \$910,000 with maximum annual lease rental payments of \$83,000 for a term of twenty-two (22) years. Dan seconded and the motion carried 4-0.



**Madison Township, Morgan County  
Emergency Fire Loan**

Summary: The unit is requesting an emergency fire loan in the amount of \$549,761 for a term of one (1) year for the purpose of financing firefighter salaries, health insurance, and other essential operating expenses of the fire department.

Project Costs: \$549,761                      Amount applied to debt: \$549,761                      Annual Payment: \$585,312

Emergency Loan Calculation:

DLGF Certified Property Taxes	\$193,226
DLGF Certified Misc. Revenues	\$490,421
January 1 <sup>st</sup> Cash Balance	\$127,730
Total Funds Available	\$811,377

DLGF Certified Budget	\$738,990
Encumbrances	\$0
Total Funds Needed	\$738,990

Funds Remaining: Surplus (Need)	\$72,387
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Budget Advertised	\$2,166,051
Budget Adopted	\$1,387,172

Adopted Budget	\$1,387,172
Less Certified Budget	\$738,990
Budget cut by DLGF	\$648,182

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV est.	\$420,972,220
	Levy Needed	\$500,276
	Est. Tax Rate	.1188

Meeting and Publication Dates:

Date of publication for a public hearing	04/01/2006
Date of public hearing	04/11/2006
Resolution/Ordinance adopted	04/11/2006
Notice of Determination	04/15/2006 & 04/22/2006

Auditor's Certificate of No Remonstrance:	05/23/2006
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Attendance:

The following people attended the meeting: Mike Lang (Fire Chief), Rodger Birchfield (Trustee), Eric Reedy (Accountant), and Steve Buschmann (Attorney).

Discussion:

The unit presented a handout which discussed the following topics:

- Area of coverage and major points of fire protection
- Fire stations, apparatus and command structure
- Overview of the emergency loan, including history and current request
- Growth of service area
- Comparison of tax rate to other similar service areas
- Two-year budget comparison
- Tax rate impact on a typical homeowner

Questions by board members:

Lisa: Explain the difference between a stand-by firefighter and a full-time paid firefighter.

Fire Chief: A paid stand-by firefighter is on staff 24/7, but has no vacation, sick, or personal time; they are not provided retirement or pension benefits. Last year, the Board voted to award them health insurance. They get paid roughly \$9.00 per hour.

Steve: It is the next step from a volunteer to hiring full-time career firefighters.

Stan: Did your board approve the loan?

Steve: Yes, though they reduced the original amount requested.

Dan: The benefits listed on your budget comparison – is that the health insurance benefits?

Eric: It is for clothing, officer pay – the salary for officers is a fixed compensation, not a paid benefit. For example, the fire chief gets \$16,500 per year.

Stan: Are you reducing the amount requested today?

Steve: No, the board reduced the amount before we submitted our request to the DLGF.

Stan: Has Morgan County instituted the 2% circuit breaker early?

Eric: I don't think Morgan County even knows about it yet.

Recommendation:

Stan motioned to recommend approval of an emergency fire loan in the amount of \$549,761 for a term of one (1) year. Ken seconded and the motion carried 4-0.

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**Taylor Township, Greene County  
Emergency Fire Loan**

Summary: The unit is requesting an emergency fire loan in the amount of \$30,000 for a term of one (1) year for the purpose of financing operating expenses of the fire department.

Project Costs: \$30,000

Amount applied to debt: \$30,000

Annual Payment: \$35,000

Emergency Loan Calculation:

DLGF Certified Property Taxes	\$6,235
DLGF Certified Misc. Revenues	\$494

January 1 <sup>st</sup> Cash Balance	\$26
Total Funds Available	\$6,755
DLGF Certified Budget	\$30,000
Encumbrances	\$0
Total Funds Needed	\$30,000
Funds Remaining: Surplus (Need)	\$(23,245)
Budget Advertised	\$30,000
Budget Adopted	\$30,000
Advertised Budget	\$30,000
Less Certified Budget	\$30,000
Budget cut by DLGF	\$0

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$36,676,704
	Levy Needed	\$35,000
	Est. Tax Rate	.0954

Meeting and Publication Dates:

Date of publication for a public hearing	02/08/2006
Date of public hearing	02/23/2006
Resolution/Ordinance adopted	02/23/2006
Notice of Determination	

Auditor's Certificate of No Remonstrance: 03/31/2006

Missing Information: None

Attendance:

The following person attended the meeting: Lori Brown (Trustee).

Discussion:

I became a trustee in 2000 for pay 2001. The previous trustee had lowered the tax rate from fifteen cents to three and I did not notice the reduction. It got by me, the township board, and everybody else. Because of that reduction, I am no longer able to pay the expenses for the fire department.

Questions by board members:

Ken: Have you been spending about the same amount per year?

Lori: Yes, around \$23,000 - \$27,000 per year. Our fire truck is in terrible condition and will need to be replaced soon. We would like to get our tax rate up to at least six cents. The rest of our funds are in great shape. Bob Purlee thinks there was a typo in a previous publication that no one caught.

Stan: Is there any incorporated cities or towns in your township?

Lori: No.

Stan: Is the \$26 cash balance after you received the December property tax settlement?

Lori: Yes, it is.

Stan: Do you pay the expenses of the fire department, or do you contract out?

Lori: We own all the equipment and pay all the expenses. There is one truck that we own 55/45% with another township because they had the money, but not the staff; we had the staff, but not the money.

Recommendation:

Ken motioned to recommend approval of an emergency fire loan in the amount of \$30,000 for a term of one (1) year. Dan seconded and the motion carried 3-1, with Stan opposing because the amount is greater than what the need is.

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**City of Valparaiso, Porter County  
General Obligation Bonds**

Summary: The unit is requesting approval to issue bonds in the amount of \$4,400,000 for a term of twenty-five (25) years to provide the funding necessary for acquisition of property, construction and equipping of all or a portion of a new police station, including parking areas and related improvements.

Project Costs: \$4,400,000      Amount applied to debt: \$4,400,000      Annual Payment: \$380,000

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV est.	\$1,439,884,834
	Levy Needed	\$354,000
	Est. Tax Rate	.0245

Meeting and Publication Dates:

Date of publication for a public hearing	11/18/2005
Date of public hearing	11/28/2005
Resolution/Ordinance adopted	11/28/2005
Notice of Determination	12/16/2005

Auditor's Certificate of Petition and Remonstrance: 04/12/2006

Common Construction Wage: 05/08/2006      Vote 4-0-1

Missing Information:     None

Attendance:

The following people attended the meeting: Jon Costas (Mayor), Rick Hall (Bond Counsel with Barnes & Thornburg), Karl Cender (Financial Advisor with Cender & Co.), and Bret Dodd (Architect with RQAW).

Discussion:

Mr. Costas: I would like to begin by giving you an overview of how we came to this point. This project started with our strategic plan in 2004. We identified three facilities that needed attention. One is the police station, the public works campus, and the City Hall renovation. The police station has been in the same location for 127 years. The building was originally built in 1873 and is located in downtown Valparaiso. The facility is woefully inadequate; it is too small, not ADA compliant, and the police vehicles take up valuable downtown parking spaces. In going through some old storage boxes, we found a 1982 study that found that the police station facility was inadequate – and that was twenty-five years ago. We average a 1% growth in population per year. The cost of constructing a new police station back then and converting it to 2006 dollars, was \$6,200,000. We are confident that we can construct a new police station for \$4,400,000 by utilizing and existing building. We looked at seven available sites, mostly existing buildings. That is what we do, is to redevelop existing buildings rather than constructing a brand new building. Ultimately, we chose the RW Pool Company building, which is currently abandoned. It is a solid old block building located on the main road into the City. We are also in the process of acquiring two homes at the back of the property to convert into parking spaces and can be used for further expansion in the future if it is needed.

To give you a better view of the current facility, here is what is being utilized by the officers. The broom closet is being used for evidence storage. To get to one of the interrogation rooms, you have to go through a bathroom. The tax rate impact on the citizens for a median home is \$23.80 per year, or about \$2 per month. The Council has approved the issuance of bonds unanimously. The opposition conceded that the current facility is inadequate. We are pleased with the process and the selection that was made. The current facility is incongruent with the work force. This should have been done twenty years ago. We do not want to continue to pass the problem on to our children. The new facility is designed to be expandable in two different directions.

The architect then went over the rendering of the building and the renovation & addition to convert it to a police station.

Questions by board members:

Ken: The existing building is 9,000 square foot?

Mr. Costas: The current facility is 9,000 square foot. The new building is 15,000 and we will add 2,000 square foot for a sally port.

Dan: What will be the distance from the jail?

Mr. Costas: About three to four miles.

Dan: How many square miles are there in Valparaiso?

Mr. Costas: I don't know. The City has a population of 35,000 and the township has 50,000. There is 127 miles of road.

Dan: How many police stations do you have?

Mr. Costas: Just the one and it is just south of being centrally located.

Ken: How does renovating an existing building compare to constructing a new building?

Mr. Costas: A new building would cost us \$8,752,000, which includes using donated land.

Stan: Why use general obligation bonds when this will tie up your bonding capacity until 2014?

Karl: As the City grows, the bonding capacity will increase also and can be used for future projects.

Mr. Costas: We have not used a building corporation to augment our bonding capacity, We are trying to avoid that.

Stan: Have you adopted the 2% Circuit Breaker early?

Karl: Porter County has not.

Ken: Do you have a construction manager fee and an architect fee also?

Answer: The City has a representative that we will work with, although we will oversee the entire project.

Dan: Do you have an estimate operating cost for the new facility and how does that compare to the current facility?

Mr. Costas: No additional staff will be added so that we can augment the salaries of the staff we have.

Lisa: You have not done an operating impact analysis?

Mr. Costas: No, not yet – it is coming. This facility has been designed to increase efficiency. Most of the increase is in our room space – evidence room, training room, interrogation rooms, etc – not staffing areas. We are pretty confident we can operate under the current budget and levy.

Stan: Is any of this under a guaranteed savings contract.

Answer: No, we are anticipating a lump sum.

Ken: What will happen to the current building?

Mr. Costas: A local bank wants to purchase the building. It has been appraised at \$400,000. My recommendation is to use the proceeds from the sale of the building for the City Hall renovation.

Dan: What is your cum fund used for?

Mr. Costas: For fire equipment, health insurance debt and to store up the health insurance fund.

Dan: What is your CCD fund used for?

Mr. Costas: For fire and police vehicles.

Dan: In 2010 when the 2% circuit breaker becomes effective for all land owners, how are you going to handle the shortfalls?

Mr. Costas: The City has been very conservative and has not gone outside the levy. We are hoping that legislators will re-visit the issue and give us other options.

Dan: What was the Council vote?

Mr. Costas: Unanimous with a 7-0 vote both times.

Recommendation:

Stan motioned to recommend approval of the issuance of general obligation bonds in the amount of \$4,400,000 for a term of twenty-five (25) years. Lisa seconded and the motion carried 3-0-1 with Ken abstaining.

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**Town of Highland, Lake County  
Park District Bonds**

Summary: The unit is requesting approval to issue bonds in the amount of \$1,850,000 for a term of fifteen (15) years to provide funding for acquiring six acres of land to expand Sheppard Park, and construction of various park improvements throughout the park district.

Project Costs: \$1,975,000      Amount applied to debt: \$1,850,000      Annual Payment: \$243,250

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV est.	\$1,175,000,000
	Levy Needed	\$218,925
	Est. Tax Rate	.0186

Meeting and Publication Dates:

Date of publication for a public hearing

Date of public hearing

Resolution/Ordinance adopted      04/20/2006 & 05/22/2006

Notice of Determination      04/24/2006, 05/01/2006

Auditor's Certificate of No Remonstrance:      05/17/2006

Common Construction Wage:      05/24/2006      Vote 4-0-1 abstention

Missing Information:      None

Attendance:

The following people attended the meeting: Lucy Emison (Bond Counsel with Ice Miller), Jim Higgins (Financial Advisor with London Witte Group), Michael Griffith (Clerk Treasurer), and Alex M. Brown (Park & Recreation Supervisor).

Discussion:

Michael: Our unofficial policy in the Town of Highland is to not overlap debt so that the whole town does not exceed the 2% debt limitation. We are very confident that all debt will be well below the 2% debt limit. The highest amount outstanding will be in 2007 with total projects in the amount of \$1.3 million, and the amount will decline after that. In April of 07, the Town will be one hundred years old. We are an older community.

We hired a full time park supervisor in 1972 for the purpose of having one person oversee the condition of our parks. I must say that we have a huge public support base for our parks. We are often asked to do more than we plan with our bond issues. We currently have \$1.4 million operating balance for a population of 23,500. We are very aggressive with using user fees. We would not have come to you today unless we felt the need was great enough to establish a debt fund to fill the need. We submitted a list of equipment and the useful life of each so that you would know we are not bonding for something beyond its useful life.

Alex: We have 23 parks within the Town boundaries. We last issued bonds in 2001 in the amount of \$800,000. Our main concern is the reconstruction of our main street park. A lot of parades, concerts, weddings, picnics and other functions are held in this park. A gazebo was built twenty-six years ago for the purpose of weddings. It is now also being used for concerts and it is just too small. There are only two bathrooms, each with two stalls and not handicapped accessible. We would like to add pathways and outdoor lighting features. This park is approximately eleven acres and will cost approximately \$813,000 to renovate it. There are some other parks included in this request. We have four parks that still have wooden playground equipment that needs to be replaced. We would also like to acquire land in a new development and to equip it. It will cost about \$125,000 to acquire the land, equip it and build new soccer fields. The remaining balance is for various improvements on park grounds.

Questions by board members:

Dan: What is total tax rate?

Michael: A dollar and some change. We are 23% of the tax impact, which is a little over \$3.00

Stan: Are you going to use lease financing for some of the park equipment?

Michael: Yes, but not a capital lease, which would require us to use debt. We have other resources available to cover those lease payments.

Stan: Is any of that equipment included in this \$1.8 million issue?

Michael: No, not to my recollection.

Stan: How is the 2% circuit breaker affecting you?

Michael: We estimate a modest impact up until 2008. We anticipate a civil shortfall of \$1,098 for 2007; in 2008 - 2009, and impact of \$218,000, which is a material impact; in 2009-2010, a severe impact of \$388,000.

Recommendation:

Ken motioned to recommend approval to issue park district bonds in the amount of \$1,850,000 for a term not to exceed fifteen (15) years. Stan seconded and the motion carried 4-0.

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**Vernon Township, Jackson County  
Fire Equipment & Building Loan**

Summary: The unit is requesting approval to obtain a fire equipment loan in the amount of \$30,700 for a term of six (6) years for the purpose of purchasing a 2006 Ford F550 mini-pumper truck.

Project Costs: \$70,700

Amount applied to debt: \$30,700

Annual Payment: \$5,900



Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$124,991,320
	Levy Needed	\$5,900
	Est. Tax Rate	.0047

Meeting and Publication Dates:

Date of publication for a public hearing	02/01 & 02/2006
Date of public hearing	02/15/2006
Resolution/Ordinance adopted	02/15/2006
Notice of Determination	02/22 & 23/2006

Auditor's Certificate of No Remonstrance: 04/06/2006

Common Construction Wage: N/A

Fire Marshall's Approval: Reasonable

Missing Information: None

Attendance:

The following person attended the meeting: Curt Kovener (Trustee).

Discussion:

I am asking for a property tax back up for this loan. I intend to make the payments out of my cum fire fund to purchase a new fire truck to replace a 1965 model. The truck we want to purchase is a 2006 F5 mini pumper. It is more maneuverable and will have both a water and foam tank on it. We are located out in the sticks, and we take pride in that. We are asking for a \$40,000 loan, but we will not need that much. Per the estimates that have already started to come in, we will only need about \$32,000.

Questions by board members:

Lisa: Would you be opposed then if we reduce the amount to \$32,000?

Curt: I will take whatever I can get – if that is what you approve, then I will work with that.

Stan: This is a back-up request correct? You are going to use the Cum. Fire fund to make the payments?

Curt: Yes; I have already received approval to use \$30,000 surplus funds from my cum fire fund and \$10,000 from the fire fund. All I will need to borrow is approximately \$40,000. I will not borrow more than I need to purchase the truck.

Recommendation:

Stan motioned to recommend approval of a property tax backup request for a fire equipment loan, using the cumulative fund for the debt payment, in the amount of \$33,000 for a term of six (6) years. Ken seconded and the motion carried 4-0.